

State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

> JOHN R. BAZA Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

Representativo	es Present During the Inspection:	
Company	Mark Reynolds	
OGM	Pete Hess Environmental Scientist III	

Inspection Report

Permit Number:	C0150025		
Inspection Type:	PARTIAL		
Inspection Date:	Tuesday, January 02, 2007		
Start Date/Time:	1/2/2007 1:03:00 PM		
End Date/Time:	1/2/2007 2:15:00 PM		
Last Inspection:	Tuesday, December 12, 2006		

Inspector: Pete Hess, Environmental Scientist III Weather: Sunny, warm, 30's F. High stratified clouds.

InspectionID Report Number: 1179

Accepted by: whedberg

1/9/2007

Permitee: CO-OP MINING CO Operator: CO-OP MINING CO Site: BEAR CANYON MINE

Address: PO BOX 1245, HUNTINGTON UT 84528

County: EMERY

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current	Acreages	Mineral Ownership	Types of Operations		
4,416.18	Total Permitted	✓ Federal	✓ Underground		
40.46	Total Disturbed	☐ State	Surface		
	Phase I	☐ County	Loadout		
	Phase II	✓ Fee	☐ Processing		
	Phase III	Other	Reprocessing		

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the quarterly submittal of surface and ground water monitoring information for the Bear Canyon Mines permit area. The Special Condition which has been included in Attachment "A" of the current State permit is being met. The other permit conditions (2) are relative to mining in the #1 and #2 Mines which have been sealed and thus are no longer active.

There are no compliance actions pending for the Bear Canyon Mines permit area.

Inspector's Signature:

Date

Tuesday, January 02, 2007

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov Permit Number: C0150025 Inspection Type: PARTIAL

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
- a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 b. For PARTIAL inspections check only the elements evaluated.
- Por PARTIAL inspections creck only the elements evaluated.
 Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
 Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
 Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale				
2.	Signs and Markers	✓			
3.	Topsoil				
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	V		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	✓		~	
4.d	Hydrologic Balance: Water Monitoring	~		✓	
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives	✓		✓	
6.	Disposal of Excess Spoil, Fills, Benches		✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments	V			
8.	Noncoal Waste	✓			
9.	Protection of Fish, Wildlife and Related Environmental Issues				
10.	Slides and Other Damage				
11.	Contemporaneous Reclamation				
12.	Backfilling And Grading		V		
13.	Revegetation				
14.	Subsidence Control	V		✓	
15.	Cessation of Operations		V		
16.8	a Roads: Construction, Maintenance, Surfacing	V			
16.t	Roads: Drainage Controls	✓			
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations	✓			
19.	AVS Check				
20.	Air Quality Permit				
21.	Bonding and Insurance	✓		✓	
22.	Other				

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4.b Hydrologic Balance: Sediment Ponds and Impoundments

The NE inslope of Pond "D" (located on the #3 Mine portal pad) was observed to have a slight amount of snow from the snow removal process. The Division informed Mr. Reynolds that the volume on the inslope is as close as it comes to being an infraction of the R645 Coal Rules for storing snow volumes within a pond containment volume. Snow storage is not permitted in sediment ponds. Mr. Reynolds was aware that this was fringing upon a compliance action.

4.c Hydrologic Balance: Other Sediment Control Measures

The inlets to culverts located along the #3 and #4 Mine access roads were observed; they appeared capable of functioning as designed. Frozen compacted snow exists around the inlets, however, some cross-section area was visible. All three of the catch basins located in the Wild Horse Ridge area had snow covered bottoms. The Permittee is still in the process of implementing the Division approved ASCA's for the snow storage areas along the #3 and #4 Mine access roads/pads.

4.d Hydrologic Balance: Water Monitoring

Some flow was occurring in Bear Creek this day.

5. Explosives

The Permittee's Utah certified Coal Mine Surface Blaster, Mr. Kevin Petersen, retains his current certification through January 31, 2008.

14. Subsidence Control

The 2005 Annual Subsidence Monitoring data and Plate 5-3, which has been included in Appendix B of the 2005 Annual Report was reviewed by the Division on December 27, 2006. The submitted data does not contain an analysis. The only subsidence monitoring point which lies over or adjacent to a secondary extraction area is #544, which reports a positive deflection (upheave) of 6.275 feet. The Permittee has not provided an explanation of this. Plates 5-1A, Blind Canyon Seam and 5-3, Subsidence Map have different map scales, which make it more difficult to analyze the areas where subsidence due to secondary coal extraction has occurred. The Permittee provides data for 51 monitoring points in the Wild Horse Ridge area. Data submitted for these points shows a range of deformation/heave of plus or minus two feet in the Wild Horse Ridge area. Plate 5-3 has a P.E. stamp from Mr. Mark Reynolds, Utah registered professional engineer. The stamp is not dated. Appendix E contains notification letters to surface landowners and water conservancy districts stating when mining will occur or has occurred within their respective areas of concern. As part of the Federal lease addition application for the Mohrland area, (DOGM Task ID #2680), the Division has required the Permittee to make changes to the current subsidence control and monitoring plan which will address the concerns aired above. These changes have already been implemented within the application, and merely await final approval by the Division, the USFS, and the BLM.

Inspection Continuation Sheet

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21. Bonding and Insurance

The Permittee e-mailed a new Acord certificate of liability insurance form to the Division in order to renew the required coverage on January 3, 2007. Coverage amounts for general aggregate and each occurrence are adequate; coverage is provided for damage incurred from the use of explosives. The modifications which are necessary to the cancellation clause have been made. The renewal form meets the requirements of the R645-301-890.